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Community Bank of Nevada taken over by the Financial Institutions Division;
FDIC appointed as Receiver

Las Vegas — The Nevada Financial Institutions Division (FID) today announced that it has taken possession of Community Bank of Nevada in Las Vegas, Nevada, and appointed the Federal Deposit Insurance Corporation (FDIC) as receiver.

As of June 30, 2009, Community Bank of Nevada had total assets of approximately \$1.5 billion and total deposits of approximately \$1.4 billion. The bank had 11 branches in the Las Vegas valley and a branch in Pahrump, Nevada.

"We want Nevadans to know that their insured deposits are safe," said FID Commissioner George E. Burns. "Deposits are insured by the FDIC for the maximum under current law. To protect depositors of Community Bank of Nevada, accounts will be assumed by the FDIC and administered under a deposit insurance national bank arrangement to permit uninterrupted service for customers during a transition period."

Customers of Community Bank of Nevada may phone the FDIC at 1-800-331-6306, or visit the FDIC's website at <http://www.fdic.gov/bank/individual/failed/community-nv.html> for additional information about their deposits, customer services and receivership of the bank.

The Financial Institutions Division is the regulator for all Nevada state-chartered depository institutions including banks, credit unions, thrifts, etc., supervising over 35 of these state financial institutions.

“Due to inadequate capital and mounting loan losses, it was necessary to close Community Bank of Nevada and appoint the FDIC as receiver,” said Commissioner Burns. “We are committed to making sure Nevada’s banking system continues to be fundamentally safe and sound.”

Community Bank of Nevada customers will continue to have access to banking services over the weekend, and normal business hours and access to banking services will continue on Monday, August 17, 2009, as branches of the FDIC’s ***Deposit Insurance National Bank of Las Vegas***. Over the weekend, Community Bank of Nevada depositors can access their deposits by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed.

To protect depositors, the FDIC created the ***Deposit Insurance National Bank of Las Vegas*** (DINB of Las Vegas), which will remain open for approximately 30 days to allow depositors time to open accounts at other insured institutions. At the time of closing, the receiver immediately transferred to the DINB all insured deposits of Community Bank of Nevada, except for brokered deposits, certificates of deposit (CDs) and individual retirement accounts (IRAs). The receiver also transferred to the DINB all secured public unit deposits. Under the Federal Deposit Insurance Act, the FDIC may create a deposit insurance national bank to ensure that depositors have continued access to their insured funds where no other bank has agreed to assume the insured deposits.

Nevada State Bank, Las Vegas, Nevada has been contracted by the FDIC to provide operational management of the DINB. The main office and all branches of Community Bank of Nevada will open on Monday, August 17, 2009. Banking activities, such as direct deposit and writing checks, ATM and debit cards, can continue normally for former customers of Community Bank of Nevada during the 30-day transition period. It is important to note that Community Bank official checks (cashier’s checks) will continue to be paid by the FDIC and will be issued to customers closing accounts.

All insured depositors of Community Bank of Nevada are encouraged to transfer their insured funds to other banks. They may do so by asking their new bank to electronically transfer their deposits from the DINB or by writing checks for the amount in their accounts.

The FDIC will mail checks at the end of the transition period to the address of record for depositors who have not closed or transferred their accounts during the transition period.

Brokered deposits, CDs and IRAs are not a part of this DINB arrangement. The FDIC will mail checks to non-brokered deposit customers. The FDIC will pay the brokered deposits directly to the brokers for

the amount of their insured funds. Customers with brokered deposits should contact their brokers directly for information concerning their money.

The FDIC created the ***Deposit Insurance National Bank of Las Vegas*** to permit uninterrupted service for customers with checking and NOW accounts. This arrangement allows for uninterrupted direct deposits and automated payments from customers' accounts and allows them time to find another institution with which to do business.

The FDIC as receiver will retain all the assets of Community Bank of Nevada for later disposition. Loan customers should continue to make their payments as usual.

All safe deposit customers of Community Bank of Nevada are encouraged to come into their branch to close their box and transfer the contents to another institution before the end of the transition period.

“We will continue to work closely with the FDIC and to manage this situation as smoothly as possible,” said Commissioner Burns. *“Especially with the economic strain we are experiencing today, our goal is always to protect depositors while minimizing disruption to individuals and business as much as possible.”*

For more information about the Financial Institutions Division, visit <http://fid.state.nv.us/>.

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